



**ECONOMIC DEVELOPMENT AUTHORITY AGENDA**  
**Tuesday, January 3, 2012**  
**Immediately Following the HRA Meeting**  
**Coon Rapids City Center**  
**Council Chambers**

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**Call to Order**

**Roll Call**

**Approval of Minutes of Previous Meeting**

December 20, 2011, Regular Meeting

**New Business**

1. Selection of Economic Development Authority Officers for 2012

**Other Business**

**Adjourn**



**EDA Regular**

**Meeting Date:** 01/03/2012

**SUBJECT:** Approval of Minutes from Previous Meeting

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**Information**

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**Attachments**

12-20-11

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## **UNAPPROVED**

### ECONOMIC DEVELOPMENT AUTHORITY MEETING OF DECEMBER 20, 2011

A meeting of the Coon Rapids Economic Development Authority was called to order by President Tim Howe at 6:47 p.m. on December 20, 2011 in the Council Chambers.

Members Present: President Tim Howe, Commissioners Denise Klint, Paul Johnson, Jerry Koch, Bruce Sanders, and Scott Schulte

Members Absent: Commissioner Melissa Larson

### CALL TO ORDER

President Howe called the meeting to order at 6:47 p.m.

### ROLL CALL

Commissioner Melissa Larson absent.

### APPROVE MINUTES OF NOVEMBER 15, 2011

Commissioner Schulte requested the meeting time be corrected in the first paragraph. He also requested that the second paragraph on Page 3 be clarified to reflect that while the property would be improved the tenant would be successful anywhere.

MOTION BY COMMISSIONER KLINT, SECONDED BY COMMISSIONER SCHULTE, TO APPROVE THE MINUTES OF NOVEMBER 15, 2011, AS CORRECTED. MOTION PASSED UNANIMOUSLY.

4. CONS. ECONOMIC DEVELOPMENT ASSISTANCE, ROUND LAKE SHOPPES, LLC, 33XX COON RAPIDS BOULEVARD
  - A. CONFLICT OF INTEREST DETERMINATION
  - B. CONS. RESOLUTION EDA 11-5 AUTHORIZING EXPENDITURE OF EXCESS TAX INCREMENTS FROM TAX INCREMENT DISTRICT 1-6
  - C. AUTHORIZE EXECUTION OF A CONTRACT FOR PRIVATE DEVELOPMENT

Community Development Director Nevinski stated the EDA is asked to consider approval of a professional services contract with Genesis Business Centers to complete steps necessary for the implementation of a Coon Rapids Business Incubator program.

Earlier this year, City Council, through the EDA, expressed interest in developing a business incubator program in which early stage companies could establish themselves through access to affordable space, infrastructure, investors, technical assistance, advising, and academic resources.

In May, the EDA approved a contract with Genesis Business Centers to conduct a preliminary feasibility study to determine the potential for such a program in Coon Rapids. The report (attached) finds that the environment exists in Coon Rapids to support such a program, and offers the following as evidence:

- supply of buildings and clean rooms
- interest in the concept from potential funding sources and offers of in-kind technical support
- existence of high-tech and life science companies
- history and infrastructure for investment in emerging companies
- the presence of Anoka Ramsey Community College

Based on the conclusions of this study, staff prepared a draft program outline (attached) to further detail the objectives and parameters of the program. Staff also convened a meeting with Mayor Howe and Councilmember Schulte, as well as an area entrepreneur currently located in a St. Paul incubator, and a representative of a local investor group, to discuss the opportunities and challenges with an incubator program, and if the EDA should continue to pursue such a program. The conclusion of the group was that the EDA should. Additionally, Staff has submitted a letter to the Northeast Bank Foundation requesting funding assistance for 2012, contingent on EDA approval.

Staff recommends moving forward with the proposed implementation plan, which will lay the foundation for an incubator program. The work involved with this stage will include:

- recruiting and securing private funding for the program
- revitalizing existing investor groups and identifying new sources of venture capital
- securing appropriate leased space
- marketing and publicizing the program to media, target audiences, and investor networks
- developing a community advisory committee

It should be noted that, if approved, this phase will move the EDA from an investigation stage well towards the implementation of an incubator program, although there will be a variety of future decisions to be made about the program (e.g. contracts for additional consulting services, possible lease or tenant improvements, and program evaluation, among others). However, in this phase, should program funding from private sector sources not materialize, or if adequate investment/seed capital cannot be identified, or if the real estate market is not receptive to the concept, the program will likely not move forward.

The cost of this implementation process is \$17,500. Funds are available from the City's development account.

President Howe asked if this action fully commits the EDA to this project. Community Development Director Nevinski stated the EDA will have an opportunity to review each step of the program.

Commissioner Schulte stated the last sentence in the Preliminary Statement should be a Preliminary Feasibility Study. He also noted the term should be 2012 and that the real estate should be corrected to read Coon Rapids and not Rapid.

Commissioner Klint said this is a good concept with good direction but asked how much money it will cost. Community Development Director Nevinski said staff is not sure yet of the total costs but are only trying to align the parties at this point. He said part of the role of the EDA is to take the lead and that other improvements could be decided later. He said this is only a starting point and will show the value and environment where businesses can succeed. Community Development Director Nevinski added that staff will work to keep the costs down throughout this process.

Commissioner Klint asked if the costs get too high can the EDA discontinue the program. Community Development Director Nevinski said the EDA will be able to discontinue the program should they choose.

President Howe referred to a letter he received from an organization regarding this topic. He said he will forward the letter to staff for further review.

Commissioner Johnson confirmed that staff will keep the Board up to date on progress during this implementation. Community Development Director Nevinski stated that staff will keep the Board apprised of developments, adding a letter of intent has already been drafted for forwarding contingent upon Board direction.

Commissioner Schulte said this process will be a great investment to get new businesses started in the City.

**MOTION BY COMMISSIONER SCHULTE, SECONDED BY COMMISSIONER SANDERS, TO AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE THE PROFESSIONAL SERVICES CONTRACT WITH GENESIS BUSINESS CENTERS, LTD. TO BEGIN THE IMPLEMENTATION PHASE OF THE COON RAPIDS BUSINESS INCUBATOR PROGRAM.**

President Howe asked if only bio-type companies will be considered for this program. Community Development Director Nevinski said that while staff intends to review all businesses for inclusion in the program, the focus now is on bio and life science type industries. He added that whatever business comes forward they must have a solid business plan and investors.

President Howe noted green industries seem to be very successful as well. Community Development Director Nevinski agreed, adding staff will review all businesses that come forward.

**THE MOTION PASSED UNANIMOUSLY.**

#### **OTHER BUSINESS**

There was no other business to come before the EDA.

#### **ADJOURN**

MOTION BY COMMISSIONER SCHULTE, SECONDED BY COMMISSIONER JOHNSON, TO ADJOURN THE DECEMBER 20, 2011, MEETING OF THE EDA AT 7:00 P.M. THE MOTION PASSED UNANIMOUSLY.

Respectfully submitted,

Cathy Sorensen  
City Clerk



## EDA Regular

1.

**Meeting Date:** 01/03/2012

**Subject:** Selection of Economic Development Authority Officers for 2012

**Submitted For:** Matt Fulton, City Manager

**From:** Cathy Sorensen, City Clerk

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### Information

#### INTRODUCTION

The Economic Development Authority is requested to select officers for 2012.

#### DISCUSSION

The Economic Development Authority officers for 2011 were:

Tim Howe, President

Scott Schulte, Vice President

Denise Klint, Secretary

Melissa Larson, Assistant Secretary

Paul Johnson, Treasurer

#### ALIGNMENT WITH STRATEGIC VISION

This item relates to the **Excellence in Government** section of the 2030 Strategic Vision in the following way: The City of Coon Rapids follows a formal strategic direction established and continually monitored by the City Council that is implemented and managed with excellence, operational efficiency, and with a long term view of organizational and environmental sustainability.

#### RECOMMENDATION

The Economic Development Authority is requested to appoint the following officers for 2012:

- President
  - Vice President
  - Secretary
  - Assistant Secretary
  - Treasurer
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